
OLR Bill Analysis

HB 6477

AN ACT CONCERNING THE STATUTORY LIEN FOR ASSESSMENTS ON A CONDOMINIUM UNIT.

SUMMARY:

The Common Interest Ownership Act (CIOA) gives common interest community associations seeking to collect unpaid common charges a six month priority lien over previously recorded mortgages. This bill extends, from six to 12 months, the priority of common expense assessments over previously recorded mortgages.

EFFECTIVE DATE: October 1, 2013

BACKGROUND

CIOA Liens

CIOA governs the creation, alteration, management, termination, and sale of condominiums and other common interest communities formed in Connecticut after December 31, 1983.

Under CIOA, associations for condominiums and other common interest communities have a statutory lien on a unit for common charges and other assessments attributable to that unit (CGS § 47-258(a)).

This lien has priority over all other liens and encumbrances on a unit except for (1) those recorded before the recording of the declaration; (2) liens for real estate taxes and other governmental assessments or charges; and (3) first or second mortgages recorded before the assessment became delinquent, except for an amount equal to common expense assessments that would have become due during the six months immediately preceding an action to enforce the association's lien or the mortgage. This six month priority lien over previously recorded mortgages also includes the association's costs

and attorneys fees it incurs to enforce its lien (CGS § 47-258(b)).

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 18 Nay 0 (03/14/2013)